An OSH strategy for the informal economy

The protection of the health and well-being of workers in the informal economy is a challenge which should be faced with a coherent and integrated approach involving policies for occupational safety and health (OSH) and health promotion, skills development, social protection and employment creation. Enlarged partnerships at the community level could also facilitate and maximize long-lasting improvements in working and living conditions of informal economy workers.

When the total costs resulting from injury, illness and disability in the formal economy, are taken into account in calculating the true costs of production, it is evident that higher productivity and quality employment can only be reached when requirements for the prevention of occupational accidents and diseases, the improvement of working conditions and the protection of worker’s health and well-being are integrated in the management strategy of the organization. Therefore, improving the safety and health and working conditions of operators in the informal economy, entails improving the physical and mental well-being of workers, their families and communities while securing the viability and productivity of microenterprises and their eventual formalization. The development of measures which effectively combine services to enable micro-enterprises to increase their income and services to assist them in improving their working conditions and health would also contribute to increased productivity, capacity-building and enterprise growth within the informal economy itself. The organizational efforts of the informal economy operators themselves are the main means whereby they will be able to bring about changes in their working and living conditions.

The incorporation of effective occupational safety and health (OSH) measures in the informal economy units needs to be considered as an immediate action to protect worker’s health and improve their standards of living. It also has to be considered part of a transitional strategy aimed at contributing to poverty alleviation and formalization by combining measures for strengthening the conditions and principles which regulate labour relations, working conditions, OSH and employment opportunities, in order to allow for economic integration, social cohesion and decent work for all.

Identifying the nature, diversity and extent of the informal economy in each country is a complex task. As the informal economy is not covered by national recording, notification and compensation systems, there is scarce information on occupational accidents and diseases arising from hazardous working conditions which could be used for the identification of priority areas for prevention. The magnitude and rate of growth of the informal economy are difficult to establish. Most informal activities are un-recorded in official statistics and therefore the mea-